



STATE OF MICHIGAN  
TERRI LYNN LAND, SECRETARY OF STATE  
DEPARTMENT OF STATE  
LANSING

**DATE:** January 10, 2006  
**TO:** Candidates Seeking the Vacancy in the Office of State Senator, District 23  
**FROM:** Michigan Department of State, Bureau of Elections  
**SUBJECT:** SPECIAL ELECTION FILING REQUIREMENTS UNDER MICHIGAN'S CAMPAIGN FINANCE ACT

**ALL CANDIDATES SEEKING THE VACANCY IN THE OFFICE OF STATE SENATOR, DISTRICT 23, MUST MEET THE DISCLOSURE REQUIREMENTS PROVIDED UNDER MICHIGAN'S CAMPAIGN FINANCE ACT, P.A. 388 OF 1976. THE DISCLOSURE REQUIREMENTS AND FILING DEADLINES FOR THE FEBRUARY 21, 2006 SPECIAL PRIMARY AND MARCH 14, 2006 SPECIAL ELECTION ARE OUTLINED IN THIS MEMO.**

**ALL COMMITTEES REQUIRED TO FILE WITH THE SECRETARY OF STATE THAT SPEND OR RECEIVE \$20,000.00 OR MORE IN A CALENDAR YEAR OR EXPECT TO SPEND OR RECEIVE \$20,000.00 OR MORE IN A CALENDAR YEAR ARE REQUIRED TO FILE ELECTRONICALLY. INFORMATION CONCERNING THE MERTS PLUS SOFTWARE USED FOR FILING CAMPAIGN STATEMENTS ELECTRONICALLY IS AVAILABLE AT: <[WWW.MERTSPLUS.COM](http://WWW.MERTSPLUS.COM)>.**

**I. CAMPAIGN STATEMENT FILING DEADLINES**

A committee discloses its campaign finances on Campaign Statements. If the committee is eligible for and obtains a Reporting Waiver, it is not required to file a Campaign Statement unless the committee spends or receives over \$1,000.00 for the special primary or the special election. The coverage dates and due dates of the Campaign Statements required for the February 21 special primary and March 14 special election are listed below:

February 5, 2006	Close of Books for Pre-Special Primary Election Campaign Statement
February 10, 2006	Filing Deadline for Pre-Special Primary Election Campaign Statement
<b>FEBRUARY 21, 2006</b>	<b>SPECIAL PRIMARY</b>

March 13, 2006	Close of Books for Post-Special Primary Election Campaign Statement
March 23, 2006	Filing Deadline for Post-Special Primary Election Campaign Statement
February 26, 2006	Close of Books for Pre-Special Election Campaign Statement
March 3, 2006	Filing Deadline for Pre-Special Election Campaign Statement
<b>MARCH 14, 2006</b>	<b>SPECIAL ELECTION</b>
April 3, 2006	Close of Books for Post-Special Election Campaign Statement
April 13, 2006	Filing Deadline for Post-Special Election Campaign Statement

**PLEASE NOTE:** The Post-Special Primary Campaign Statement is waived if the candidate gains nomination at the special primary and is required to file the Pre-Special Election Campaign Statement.

## **II. LATE FILING FEES FOR PRE OR POST CAMPAIGN STATEMENTS**

- If the committee raised **\$10,000.00 or less** during the previous 2 years, a \$25.00 late filing fee will be assessed each business day the statement remains unfiled, up to a maximum of \$500.00. If the committee raised **more than \$10,000.00** during the previous 2 years, the maximum late fee is increased to \$1,000.00. The fee is assessed as follows:
  - (a) \$25.00 for each business day the statement remains unfiled.
  - (b) An additional \$25.00 for each business day after the first 3 business days the statement remains unfiled.
  - (c) An additional \$50.00 for each business day after the first 10 business days the statement remains unfiled.
- A Pre-Special Primary or Pre-Special Election Campaign Statement submitted on paper or diskette that is sent by registered mail, certified mail or an overnight delivery service and postmarked two or more calendar days before the filing deadline will be accepted as timely regardless of when it arrives.
- A Post-Special Primary or Post-Special Election Campaign Statement submitted on paper or diskette that is sent by registered mail, certified mail or an overnight delivery service and postmarked on or before the filing deadline will be accepted as timely regardless of when it arrives.

- A Pre-Special Primary, Post-Special Primary, Pre-Special Election or Post-Special Election Campaign Statement that is hand-delivered, sent by first class mail, or filed electronically via the Internet, must reach this office by 5:00 p.m. on the filing deadline. Be sure to allow ample time if sending first class.
- Forms for filing the Pre-Special Primary, Post-Special Primary, Pre-Special Election and Post-Special Election Campaign Statements are available on our Web site at <[www.michigan.gov/sos](http://www.michigan.gov/sos)>. These forms may also be obtained by contacting Irene Del Rio or Beverly Smith at the Michigan Department of State's Bureau of Elections. Telephone: (517) 373-8612 or (517) 373-1178  
E-mail: <[delrio@michigan.gov](mailto:delrio@michigan.gov)> or <[smithbd@michigan.gov](mailto:smithbd@michigan.gov)>
- Committees filing on paper must provide one original and one photocopy of each required Campaign Statement.

### III. **THE REPORTING WAIVER**

A committee that does not expect to receive or spend more than \$1,000.00 for an election is eligible for a Reporting Waiver. (A primary is regarded as a separate "election.") All direct and in-kind contributions received by the committee (including those from the candidate) and debt incurred by the committee must be considered when determining if the committee is eligible for a Reporting Waiver. A committee that qualifies for, and receives, a Reporting Waiver is exempt from filing Campaign Statements.

- To become eligible for a Reporting Waiver, the committee must check item 10 on its Statement of Organization. This tells the filing official that the committee does not expect to receive or spend more than \$1,000.00 for the election. The committee can check item 10 on its original or amended Statement of Organization.
- A committee that does not check item 10 on its Statement of Organization is not eligible for a Reporting Waiver. This means that the committee must file the Pre-Special Primary, Post-Special Primary (**PLEASE NOTE: The Post-Special Primary Campaign Statement is waived if the candidate gains nomination at the special primary and is required to file the Pre-Special Election Campaign Statement.**), Pre-Special Election and Post-Special Election Campaign Statements regardless of the amount received or spent for the election. A committee cannot amend its Statement of Organization to exempt itself from Campaign Statements that are past due.
- A committee automatically loses its Reporting Waiver if it receives or spends more than \$1,000.00 for an election. If the Reporting Waiver is lost, the committee must file the next required Campaign Statement.

### IV. **LATE CONTRIBUTION REPORTS**

A late contribution is any single contribution of \$200.00 or more received by the committee between the 15th and the 3rd day before the date of any election in which the committee participates. The term "election" is used to mean a primary, general, special, recall or millage election held in Michigan or a convention or caucus held by a political party in Michigan to nominate candidates.

A Candidate Committee that participates in the February 21, 2006 special primary election is required to file a "Late Contribution Report" if the committee receives a direct or in-kind contribution of \$200.00 or more from February 6 through February 18. A Candidate Committee that participates in the March 14 2006 special election is required to file a "Late Contribution Report" if the committee receives a direct or in-kind contribution of \$200.00 or more from February 27 through March 11.

- A Late Contribution Report must be received by this office within 48 hours after the committee receives the contribution. A contribution is received by a committee on the date the funds, written instrument or in-kind contribution of goods from the contributor have come into the physical possession of the committee treasurer, designated record keeper or other person acting as an agent of the committee. The receipt date is not the date the contribution was deposited into the committee's bank account.
- A Late Contribution Report must contain the date and amount of the contribution along with the contributor's name, street address, occupation, employer and principal place of business. The report may be made in a telegram, fax or by any other means of written communication and does not need an original signature. The fax number for the Bureau of Elections is (517) 241-4785. In addition to the report, the late contribution must be disclosed on the next required Campaign Statement.
- If a committee receives a late contribution before filing the Pre-Special Primary or Pre-Special Election Campaign Statements, the late contribution may be included on the statement. In this case, a separate Late Contribution Report is not needed and the contribution is not disclosed again on a subsequent Campaign Statement.
- A committee, candidate, treasurer or designated record keeper who fails to report a late contribution is required to pay a late filing fee. The maximum \$2,000.00 late filing fee is assessed as follows:
  - (a) \$25.00 for each business day the report remains unfiled.
  - (b) An additional \$25.00 for each business day after the first 3 business days the report remains unfiled.
  - (c) An additional \$50.00 for each business day after the first 10 business days the report remains unfiled.

## **V. COMMITTEE DISSOLUTION**

The Michigan Campaign Finance Act specifies when and under what conditions a Candidate Committee may be dissolved. A dissolved committee has no further filing obligations under the Act.

To be eligible for dissolution, a committee must have no remaining assets or outstanding debts. An unpaid late filing fee is treated as a committee debt. An officeholder cannot dissolve his or her Candidate Committee until his or her term of office expires.

**DISPOSITION OF LEFTOVER FUNDS:** The Act specifies that, upon the termination of a Candidate Committee, unexpended funds in the Candidate Committee's account that are not eligible for transfer to another Candidate Committee established by the candidate must be disbursed in the following ways:

- 1.) given to a Political Party Committee (state central, congressional district or county level);
- 2.) given to a tax exempt charitable organization (as long as the candidate does not become an officer or director of the organization or receive compensation, either directly or indirectly, from the organization);\*
- 3.) returned to contributors of the funds;
- 4.) given to a House Political Party Caucus Committee (if the candidate sought the office of State Representative);
- 5.) given to a Senate Political Party Caucus Committee (if the candidate sought the office of State Senator);
- 6.) given to an Independent Committee; or
- 7.) given to a Ballot Question Committee.

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\*When a dissolving committee contributes all or part of their remaining funds to a tax-exempt charitable organization, the committee must submit confirmation (letter, receipt, etc.,) from the charitable organization acknowledging that the contribution was received.

**DISSOLUTION PROCEDURE:** A Candidate Committee registered by a candidate who is defeated in an election is automatically dissolved if the committee meets all of the conditions listed below:

- 1.) The Candidate Committee has a Reporting Waiver.
- 2.) The Candidate Committee did not spend or receive over \$1,000.00 for the election.
- 3.) The Candidate Committee has no assets or debts (including late filing fees).

A Candidate Committee that qualifies for automatic dissolution is not dissolved if the candidate expresses a desire in writing to keep the committee active. If the committee is not eligible for automatic dissolution, it is dissolved by filing a final Campaign Statement with supporting schedules. A Dissolution Campaign Statement can be combined with any other required Campaign Statement as long as the committee dissolves on or before the closing date of the Campaign Statement.

## **VI. INFORMATION FOR COMMITTEES USING MERTS PLUS SOFTWARE**

The following reminders are offered for committees using MERTS Plus software to electronically file Campaign Statements for the February 21 special primary and March 14 special election. **Questions concerning use of the software should be directed to MERTS Plus Tech Support at: (703) 749-4642 or sent by e-mail to <[mertstechsupport@nicusa.com](mailto:mertstechsupport@nicusa.com)>.**

**ELECTION CYCLE:** Make sure the current election cycle has been entered into the Election Cycles Window. The election cycle for the vacancy in the office of State Senator, District 23, begins December 31, 2005 (the date the office became vacant) and ends on March 14, 2006.

**REPORTING PERIODS:** A separate report record (with correct coverage dates) must be created in the Reports Window for each Campaign Statement that will be electronically submitted by the committee. A candidate whose name appears on the

February 21 special primary and March 14 special election ballots must create records for the Pre-Special Primary, Post-Special Primary (**PLEASE NOTE: The Post-Special Primary Campaign Statement is waived if the candidate gains nomination at the special primary and is required to file the Pre-Special Election Campaign Statement.**), Pre-Special Election and Post-Special Election Campaign Statements.

**AMENDMENTS TO CAMPAIGN STATEMENTS:** An amended Campaign Statement cannot be filed until an original Campaign Statement has been electronically filed. If you create more than one amendment to a statement, each amendment must be electronically submitted in the order it was created before any further amendments can be filed.

### **QUESTIONS?**

If you have any questions or would like to obtain a MERTS Plus Vendor Pack, please feel free to phone us at (517) 373-2540 or write us at the address shown below. The address below should also be used to mail your filings by first class mail, registered mail or certified mail.

Michigan Department of State  
Bureau of Elections  
Post Office Box 20126  
Lansing, Michigan 48901-0726

Please use the following address if you would like to mail a filing by overnight delivery service or visit our office.

Michigan Department of State  
Bureau of Elections  
1<sup>st</sup> Floor, Treasury Building  
430 W. Allegan Street  
Lansing, Michigan 48918-0000